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ANNUAL REPORT

COORDINATING BOARD FOR HIGHER EDUCATION

SHAILA R. AERY

COMMISSIONER

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COMMISSIONER'S OVERVIEW

The steady decline in state and federal support of higher education prompted the Coordinating Board for Higher Education (CBHE) in 1982 to direct its staff, the Department of Higher Education, to evaluate the current State Master Plan for Higher Education. That evaluation and the implications for statewide planning to achieve access, quality, and efficiency in the state's system of higher education have been the major focus for 1982. This Annual Report reviews that activity as well as the CBHE's other statutory responsibilities for budget recommendations, academic program review, student financial aid, and the State Library.

Higher education enrollments declined slightly statewide in the Fall of 1982. The only significant increases in enrollment occurred in the junior colleges. The decline statewide appears to indicate the beginning of the 20 percent decline projected for Missouri enrollments in the next several years. The projected enrollment decline will affect institutions differentially but will further compound the current funding problem because of the overall loss of fee income combined with the increasing demand for high cost programs.

Although there is currently a need for new instructional programs, new program proposals were not generally considered by the Coordinating Board unless an institution could finance the new program through reallocation of existing institutional resources. Without new dollars, and with the current shifts in distribution of expenditures to cover utilities and staff benefits, new instructional programs will quite likely not be possible without continuing reallocation and/or program closures. Funding at current levels, following several years of loss to inflation, spread over the current array of academic programs, will not fulfill the current expectations for existing programs.

The Guaranteed Student Loan Program has continued to grow, although some slow-down has been experienced due perhaps to the more restrictive federal eligibility rules. Approximately $270 million in student loans have been guaranteed by Missouri's program. It is anticipated that the Missouri Higher Education Loan Authority, which is now operational with a $65 million bond issue, will stimulate the capacity of lending institutions to make such loans through the Authority's function of purchasing loan accounts.

The Coordinating Board has given considerable emphasis to matters of planning and development of both the Missouri State Library and of public libraries throughout the state. Appropriation requests include attention to funding of the seven library networks providing valuable services to all Missourians and to the needs of the Wolfner Library for the Blind and Handicapped which has been seriously underfunded in the past.

Important Coordinating Board projects have progressed well during the course of this past year. A Bootheel Higher Education Services Network was established. That Network was designed to expand postsecondary education opportunities to residents of the Bootheel region and was financed through a Governor's Special Grant from Comprehensive Employment and Training Act (CETA) funds.

The Higher Education Applied Projects Fund has been implemented. That fund is part of the Research Assistance Act, passed in 1982 and which provides for the stimulation of employment opportunity, economic development, and investment through cooperative projects between private industry and the regional state colleges and universities. The Board is supporting legislation for the 1983 session of the General Assembly which would establish a companion program providing for the training of new employees of expanding businesses and industries by the public community colleges.

Several other items of recommended legislation are matters of priority to the Board. These include authorization of the Library Networks, authorization of the Board to set the Commissioner's compensation, modifying the junior college funding formula, the certification of proprietary schools, and a requirement for the reposit of student records.

The Master Plan Assessment is one of the most significant planning efforts undertaken by the Coordinating Board to date. The difficult economic and budgetary environment assigns considerable importance to and will undoubtedly be reflected in the Assessment. Missouri higher education has reached a watershed in its history. Some would call it a crisis; others an opportunity. Whichever viewpoint prevails will be determined by Missouri's educational and political decision makers in these next few years.

Shaila R. Aery
Commissioner of Higher Education

MASTER PLAN III ASSESSMENT

There is one objective to be accomplished in the assessment of Master Plan III: the development of public policy recommendations to maintain the excellence in Missouri public higher education. The recent decline in federal and state funding, combined with relatively modest institutional non-state income, including fees, is seriously threatening the quality of academic programs in Missouri's public institutions.

The assessment project is organized into three stages and focuses on three complex issues which comprise the major areas of study in the project. The following are the issues being addressed in the assessment project.

- ACCESS TO HIGHER EDUCATION
- DIFFERENTIATION OF FUNCTIONS AMONG INSTITUTIONS AND TYPES OF INSTITUTIONS
- FUNDING ADEQUACY AND EQUITY

Because of the complexity of these issues, the first stage in the project included the selection of appropriate educational/social indicators. Indicators are useful as ways of describing the status, trends and future events. The major categories of indicators selected for the assessment project were: enrollment, resources, programs, state demographic and economic indicators. These indicators are being used to describe:

The major trends in Missouri over the past three years and the implications of these trends for higher education.

The comparison of the current status of educational indicators with selected peer institutions outside of Missouri by types of institutions.

The second stage, Projecting Trends and Forecasting Probable Futures, is currently being completed with the outcome being a forecast of the social milieu in which Missouri higher education will be functioning over the next few years.

The first two stages in the Master Plan III assessment project serve to identify specific trends and the events which may affect those trends. The third and last stage in the project will specify policy options available to educational and political decision makers. In this stage, a range of public policy alternatives will be analyzed as well as their probable impact on the issues of access, diversity, and funding.

The final report to the Coordinating Board will consist of a range of alternative ways public policy may approach the major issues of Missouri higher education in the future.

ENROLLMENT TRENDS

The Coordinating Board for Higher Education has the responsibility for reviewing changes in enrollments among institutions of higher education in the state. The Board's staff routinely collects enrollment data from the institutions and that information has been used as the basis of this report on enrollment in Missouri institutions.

In Fall 1982 a total headcount of 224,956 students was enrolled for study in degree credit programs. Missouri institutions have experienced a continued trend of increasing headcount and full-time equivalent (FTE) enrollments from Fall 1978 to Fall 1981. A slight decline in enrollments was experienced in Fall 1982.

Table 1 displays headcount enrollment from Fall 1978 through Fall 1982. During this five-year period the state sector increased by 15.5 percent. The independent sector increased by 0.9 percent while the technical/professional sector increased by 38.6 percent. For all institutions, the total headcount enrollment increased by 12.5 percent.

TABLE 1. FIVE-YEAR SUMMARY OF ON-CAMPUS, ON-SCHEDULE HEADCOUNT ENROLLMENT, FALL 1978 TO FALL 1982

Institution	Fall 1978	Fall 1979	Fall 1980	Fall 1981	Fall 1982	% Change
STATE SECTOR						
University of Mo.[a]	49,854	51,058	53,756	56,180	55,416	11.2
Four-Year[a]	51,476	53,531	56,533	57,584	57,366	11.4
Two-Year[a]	47,346	47,783	52,413	56,791[b]	58,868[b]	24.3
Subtotal	148,676	152,372	162,702	170,555	171,650	15.5
INDEPENDENT SECTOR						
University	20,215	19,955	20,472	20,179	19,427	(3.9)
Four-Year	25,572	25,257	27,001	27,981	26,535	3.8
Two-Year	1,142[c]	1,172[c]	1,212[c]	1,381[c]	1,389[c]	21.6
Subtotal	46,929	46,384	48,685	49,541	47,351	0.9
TECH. AND PROF.	4,297	4,668[d]	5,594	5,986[e]	5,955[e]	38.6
TOTAL	**199,902**	**203,424**	**216,981**	**226,082**	**224,956**	**12.5**

Source: Forms DHE-02-1, DHE-02-2, and DHE-02-4 for fall 1978 through fall 1982

[a]Includes residence centers
[b]Enrollment for Pioneer Community College has been estimated
[c]Source data for Cottey College is NCES form 2300-2.3
[d]Cleveland College of Chiropractic reported enrollment for the first time at the state level
[e]Due to the unavailability of Fall 1982 data and in order not to obscure enrollment trends, the Fall 1980 enrollment data for Missouri Institute of Technology has been repeated in Fall 1981 and Fall 1982

Table 2 displays the distribution of full-time and part-time headcount in Fall 1978 and in Fall 1982. Part-time enrollment increased 16.5 percent during this time, while full-time enrollment increased 10.3 percent. In the state sector the largest increases were experienced by the two-year schools with a 28.1 percent increase in part-time and a 17.9 percent increase in full-time students. Although the independent two-year institutions showed a 40.2 percent increase in part-time students, the independent sector as a whole experienced a 1.3 percent decrease in part-time students and only a 2.1% increase in full-time students. The technical and professional sector experienced an increase of 88.1 percent in part-time students and 36.8 percent in full-time students.

TABLE 2. ON-CAMPUS, ON-SCHEDULE ENROLLMENT BY FULL-TIME AND PART-TIME HEADCOUNT WITH PERCENT CHANGE, FALL 1978 AND FALL 1982

Institution	Full-time Fall 1978	Fall 1982	% Change	Part-time Institution Fall 1978	Fall 1982	% Change
STATE SECTOR						
University of Missouri[a]	36,145	39,389	9.0%	13,709	16,027	17.0%
Four-Year[a]	39,666	44,350	11.8	11,810	13,016	10.2
Two-Year	17,107	20,169[b]	17.9	30,239	38,699[b]	28.1
Subtotal	92,918	103,908	11.8%	55,758	67,742	21.5%
INDEPENDENT SECTOR						
University	13,018	12,541	(3.7)%	7,197	6,886	(4.3)%
Four-Year	16,807	17,842	6.2	8,765	8,693	(0.8)
Two-Year	717	793[c]	10.6	425	596[cd]	40.2
Subtotal	30,542	31,176	2.1%	16,387	16,175	(1.3)%
TECH. & PROF.	4,146	5,671[d]	36.8%	151	284[d]	88.1%
TOTAL	**127,606**	**140,755**	**10.3%**	**72,296**	**84,201**	**16.5%**

Sources: Forms DHE-02-1, DHE-02-2, and DHE-02-4 for Fall 1978 and Fall 1982

[a]Includes residence centers
[b]Enrollment for Pioneer Community College has been estimated
[c]Source of data for Cottey College is NCES form 2300-2.3
[d]Due to the unavailability of Fall 1982 enrollment data and in order not to obscure enrollment trends, the

Table 3 displays full-time equivalent (FTE) enrollment data for the five-year period from Fall 1978 through Fall 1982. The technical/professional sector again experienced the largest increase at 31.6 percent. The state sector had an increase of 11.4 percent and the independent sector showed an increase of 0.9 percent. For this period the total FTE enrollment for all institutions increased by 6.6 percent.

TABLE 3. FIVE-YEAR SUMMARY OF ON-CAMPUS, ON-SCHEDULE FULL-TIME EQUIVALENCY ENROLLMENT, FALL 1978 to FALL 1982

Institution	Fall 1978	Fall 1979	Fall 1980	Fall 1981	Fall 1982	% Change 1978-1982
STATE SECTOR						
University of Mo.[a]	40,779	41,524	43,582	45,111	44,653	9.5
Four-Year[a]	44,181	45,600	47,908	48,900[b]	48,536[b]	9.9
Two-Year	27,375	27,043	29,758	30,753[b]	31,990[b]	16.9
Subtotal	112,335	114,167	121,248	124,764	125,179	11.4
INDEPENDENT SECTOR						
University	15,358	15,382	15,750	15,676	15,438	0.5
Four-Year	20,409	19,582	20,949	21,685	20,524	0.6
Two-Year	910[c]	942[c]	986[c]	1,068[c]	1,056[c]	16.0
Subtotal	36,677	35,906	37,685	38,429	37,018	0.9
TECH. AND PROF.	4 448	4,977[d]	5,757	5,994[e]	5,855[e]	31.6
TOTAL	**153,460**	**155,050**	**164,690**	**169,187**	**168,052**	**9.5**

Sources: Forms DHE-02-1, DHE-02-2, and DHE-02-4 for Fall 1978 through Fall 1982.

[a]Includes residence centers
[b]Enrollment for Pioneer Community College has been estimated
[c]Source of data for Cottey College is NCES form 2300-2.3
[d]Cleveland College of Chiropractic reported enrollment for the first time at the state level
[e]Due to the unavailability of Fall 1982 data and in order not to obscure enrollment trends, the Fall 1980 enrollment data for Missouri Institute of Technology has been repeated in Fall 1981 and in Fall 1982.

ACADEMIC PROGRAMS

The statutory responsibilities of the Coordinating Board include the development of effective coordination among institutions. The goals of coordination -- access, quality and efficiency -- are primarily achieved through the academic program review and approval responsibilities. Throughout FY 1982 a number of activities have been undertaken in support of these goals. In a time of limited resources, statewide program approval takes an added significance because of its potential to enhance the effective management of the State's available resources through the prevention of unnecessary program duplication.

I. Program Review

A. New Program Review and Reallocation of Institutional Resources

In December, 1981, the Coordinating Board for Higher Education adopted a policy requiring public higher education institutions to submit data demonstrating internal reallocation of resources as an integral part of a proposal for a new program. Current funding, following several years of inflation, spread over the current array of programs cannot meet the expectations for existing programs.

B. Review of New Academic Program Proposals

During FY 1982 a total of 44 proposals for new academic programs was received from both public and independent institutions. This total is significantly lower than the totals for FY 1981 and FY 1980 which were 61 and 58, respectively. **Table 4** displays the distribution of new programs between public and independent institutions as well as the disposition of these programs.

TABLE 4. DISTRIBUTION AND DISPOSITION OF ACADEMIC PROGRAMS RECEIVED BY THE MDHE DURING FY 1982

	FY 1982 CBHE Action	Early FY 1983 CBHE Action[1]	Withdrawn	Pending[2]	Other[3]
Public	16	5	2	1	1
Independent	8	5	0	6	0
Totals	24	10	2	7	1

(Grand Total = 44)

[1]These proposals were received and reviewed by staff in FY 82 but could not be presented to the CBHE until early FY 83.
[2]One program is pending receipt of reallocation information; three are on hold until a Department of Elementary and Secondary Education program certification review is complete; and three others are on hold until the CBHE's Committee on Coordinating Board and Independent Institution Relationships makes its report.
[3]One new program proposal was judged to be a program change rather than a new program.

In addition to the 24 new program proposals submitted to and actually considered by the Coordinating Board in FY 1982, the CBHE acted upon eight program proposals which had been submitted the prior fiscal year. **Tables 5 and 6** display -- by degree level, institution type, and subject area -- the distribution of all new program proposals approved or received by the Coordinating Board during FY 1982.

These tables reveal that during the past year the state's institutions have emphasized undergraduate education and high-demand curricular areas. Graduate programs accounted for only 9.4% of the new programs while programs in business, health sciences and administration, and computer science accounted for 65.6% of all new programs implemented in Missouri last year.

TABLE 5. DISTRIBUTION OF NEW DEGREE PROGRAMS RECEIVED BY THE CBHE IN FY 1982 BY DEGREE LEVEL AND INSTITUTION TYPE

	Certificate	Associate	Baccalaureate	Graduate
Public	4	8	8	1
Independent	1	0	8	2
Totals	5	8	16	3

(Grand Total = 32)

TABLE 6. DISTRIBUTION OF NEW DEGREE PROGRAMS RECEIVED BY THE CBHE IN FY 82 BY BROAD DISCIPLINARY AREA

	Business & Commerce	Computer Science	Health Sciences & Administration	Education	Humanities & Social Science	Other
Public	10	4	1	2	1	3
Independent	2	0	4	1	1	3
Totals	12	4	5	3	2	6

(Grand Total = 32)

It is anticipated that the trends which were evident in FY 1982 will continue into FY 1983. That is, institutions will develop fewer new academic programs while those programs which are developed will primarily be at the undergraduate level and will be in high-demand areas which lead directly to gainful employment for the recent graduate.

C. Review of Existing Academic Programs

During FY 1982 the Coordinating Board for Higher Education received 51 requests for changes in existing academic degree programs. These changes were generally technical and/or minor in nature, e.g., a change in degree program title; however, three programs were deleted entirely, i.e., a certificate in dietetic assistant, a bachelor's degree in administration of justice, and a master's degree in chemistry.

The Coordinating Board conducted follow-up reviews on three programs which had been considered in prior years but which had been identified as needing further monitoring during the implementation stage. Two of these programs were granted unconditional approval as a consequence of the follow-up review while the third program was judged to have made substantial progress. In the latter case the institution sponsoring the program was asked to submit a final report within a year.

II. Coordination of Higher Education

A. Review of the Northwest Missouri State University Graduate Center at Missouri Western State College

In 1978, on Coordinating Board recommendation, Northwest Missouri State University relocated its off-campus graduate programs in St. Joseph to the campus of Missouri Western State College. At that time it was determined that closer cooperation between the schools would provide substantial advantages to the region as well as to the two institutions. The original agreement to establish the joint center stipulated that the arrangement would be evaluated within three years.

Since the initiation of this experiment, the Graduate Center has prospered, but difficulties emerged. In fulfillment of the original agreement establishing the Center, the Coordinating Board for Higher Education employed three out-of-state consultants to evaluate the strengths and weaknesses of the cooperative arrangement. After evaluating the consultants' reports and the CBHE staff's analysis of these reports, the Coordinating Board adopted recommendations which affirmed the appropriateness of the Graduate Center concept and its value to the St. Joseph community and which addressed the weaknesses in the original agreement that had become apparent during the first three years of operation. It is anticipated that the Graduate Center will become even more effective in the future as a result of this review.

B. Community College Out-of-District Course Approval

During the 1981 session the General Assembly added a provision to the statutes which granted authority to community colleges to conduct courses outside their districts. The legislation also included provisions specifying that courses conducted outside the district would be ineligible for state aid and that the Coordinating Board must approve these courses before they could be taught. This statute has been implemented by the Coordinating Board through the adoption of policies and procedures for the approval of such courses which prescribe a review of all proposed course offerings by an Advisory Committee of two-year college representatives prior to CBHE action.

This procedure was utilized successfully for the Spring 1982, Summer 1982, and Fall 1982 terms. The CBHE approved 84 courses to be offered in the latter half of FY 1982. An evaluation of these policies is scheduled for 1983.

C. The Bootheel Higher Education Services Network

In FY 1983 the Coordinating Board for Higher Education was awarded a $100,000 grant from the Governor's Special Grant funds of the Comprehensive Employment and Training Act to establish the Bootheel Higher Education Services Network. The purpose of the Network was to develop and implement a plan to expand postsecondary education opportunities to the residents of the Bootheel Region by utilizing existing institutional resources.

The first year of operation focused primarily on building an organizational structure and establishing contacts with appropriate institutions and local constituencies. An executive director and other project staff were hired; an Advisory Council and an Executive Advisory Council of local community representatives were established; and specific project goals were identified.

The first year of operation for the Bootheel Network was successful. The Network has received CETA funding for FY 1983 and is now operating independently of the Coordinating Board for Higher Education.

D. Task Force on the Visual Arts for the Higher Education Council of St. Louis

In FY 1981, the Coordinating Board for Higher Education undertook a comprehensive study of bachelor of fine arts programs in the metropolitan St. Louis area. One of the outcomes resulting from this study was a CBHE recommendation that the Higher Education Council of St. Louis undertake a review of fine arts programs in St. Louis to determine how these programs might be enhanced through coordination and the sharing of institutional resources.

In October 1981 the Higher Education Council of St. Louis convened a Task Force on the Visual Arts in response to the Coordinating Board's recommendation. A Coordinating Board for Higher Education staff member participates in the meetings of the Task Force and lends assistance as appropriate. During the balance of FY 1982, the Task Force conducted a survey of visual arts resources and outlined issues for further consideration during FY 1983. The Task Force is expected to complete its work in the coming year.

E. Committee on Coordinating Board for Higher Education and Independent Institution Relationships

In response to a complaint by an independent institution that the Coordinating Board for Higher Education had exceeded its authority in its program review activities by adopting a motion to "not endorse" certain programs offered by that institution, the CBHE established a committee of Board members to assess the nature of the Coordinating Board's relationships with the independent sector and to make appropriate recommendations. During FY 1982, the committee held several meetings, including an open forum with representatives of the independent sector. The committee's report was endorsed by the Presidents' Advisory Committee to the CBHE and accepted by the Coordinating Board on December 10, 1982.

III. Identification and Evaluation of Demand for Higher Education Services

A. CBHE Policies on Off-Campus Teacher Education

In response to a program proposal submitted by a senior institution to offer the upper division course work for a bachelor's degree in education on the campus of a community college, the Coordinating Board for Higher Education considered the issues related to degree programs of this general type which are frequently identified as "2 + 2" programs.

After consultation with various higher education leaders and accrediting agencies in Missouri and elsewhere, the Coordinating Board adopted policies which tend to restrict the development of these programs to exceptional circumstances where the need is clearly demonstrable. The Board believed that professional teacher education instruction should customarily occur only on the home campus of senior instituions which have approved education programs. These determinations were made on the basis that high-quality off-campus programs are expensive to maintain and that unrestrained development of "2 + 2" programs would tend to erode the mission of both the community colleges and senior institutions.

B. Research Assistance Act

In response to the need to develop a mechanism which would better enable higher education to apply its resources to the problem of assisting the development of Missouri's economy, the Coordinating Board for Higher Education supported legislation which resulted in the Research Assistance Act.

The Research Assistance Act establishes two funds of public matching monies that are intended to support projects promoted by higher education institutions which will enhance employment opportunity, stimulate economic development, and encourage private investment. One of these funds is the Higher Education Research Fund which is administered by the Board of Curators of the University of Missouri, and the other is the Higher Education Applied Projects Fund which will be administered by the Coordinating Board for Higher Education. Although two other states have economic development programs with features similar to the Research Assistance Act, the Missouri program is unique as it has a private sector matching requirement.

APPROPRIATIONS REQUESTS AND RECOMMENDATIONS

I. Department of Higher Education FY 1984 Appropriation Request and Recommendations

Retention and recruitment of staff have become the most serious problems facing the Department. In the first 10 months of calendar 1982, half of the twelve professional staff in Coordination took jobs outside Missouri state government--all at substantial salary increases. The Coordinating Board for Higher Education approved a 7.5% increase for personal services and a 5% increase for expense and equipment for all programs. The Office of Administration established guidelines for relocation expenses to the Truman Building and telephone rate increases. The FY 1984 Coordination request includes 2 new FTE, an associate director of facilities planning and a fiscal associate.

The budget recommendations for Missouri's two student aid programs reflect the continued growth in demand on these programs. The Grant Program is requesting a modest increase to accommodate the rising data processing expenses. The Coordinating Board is also requesting a modest increase in the Grant Program. The Missouri Guaranteed Student Loan Program is not funded from general revenue.

The Coordinating Board's recommendation for the Missouri State Library includes the purchase of a new automobile and a request for library networks. The $140,000 request for networks would provide $20,000 to each of the seven regional networks.

Wolfner Library has been seriously underfunded in the past and the FY 1984 budget request addresses some of these problem areas. The request includes expense and equipment money designed to upgrade the operating programs and activities. Wolfner Library has recently moved to more spacious quarters requiring additional rent expense and money from the Gift Trust Fund is being requested to purchase furniture and enhance the appearance of the library.

The Department also administers several small programs including the Anatomical Board, Reader's for the Blind and the Applied Projects Fund. The Applied Projects Fund was appropriated during Special Session 1982 and is to be used on projects promoting cooperative activities between businesses and higher education institutions.

Table 7 provides a summary of the MDHE budget request.

TABLE 7. MISSOURI DEPARTMENT OF HIGHER EDUCATION FY 1984 MDHE BUDGET REQUEST SUMMARY

Program	FY 1984 Budget Request
Operations	
Higher Education Coordination	$ 683,048
Missouri State Library	1,000,449
Wolfner Library	373,417
Subtotal - Operations	$ 2,056,914
Student Financial Aid	
Student Grant Program	$ 130,628
Student Loan Program	1,803,730
Subtotal - Student Aid	$ 1,934,358
Program Specific Distribution	
Grant Distribution	$11,550,000
State Aid to Junior Colleges	44,363,253
State Anatomical Board	2,500
Readers for the Blind	16,200
Education Information Centers	75,000
State Aid to Public Libraries	2,380,580
Federal Library Funds	1,511,613
Applied Projects Fund	500,000
Subtotal - Distribution	$60,399,146
TOTAL EXPENDITURES	$64,390,418
PLAN FOR FINANCING	
General Revenue	$59,139,360
Federal Funds	3,409,328
Guaranty Student Loan Fund	1,803,730
Other	38,000
TOTAL FINANCING	$64,390,418

II. CBHE Recommendations For Institutions

The CBHE recommendations for operating expenditures for all institutions are based on a formula budgeting process as in previous years. To increment the expenditure base of each institution, policy factors for salaries, equipment, libraries, etc., were approved by the CBHE. The policy factors used in development of the formulas are:

Salary	The 7.5% salary policy factor for FY 1984 would represent a three year increase for most institutional personnel because increases in FY 1982 and FY 1983 were rarely provided. In addition, this factor is consistent with current inflation indices.
Expense and Equipment	A recommended increase of 5.0% would recognize one year's inflationary costs. This factor has been applied in the instruction, general support, libraries, and physical plant components.
Library Acquisitions	Inflation for library acquisitions has been calculated at 10% reflecting increased prices for periodicals and hard-cover books.
Utilities	An individualized inflation factor for utilities reflects each institution's ratio of fuel and utility consumption.

A. Operating Expenditures: Two-Year Institutions

The funding requested for State Aid to Junior/Community Colleges reflects the Coordinating Board's recommendation to bring state support closer to the long standing state policy target level of 50 percent. The available appropriation for FY 1983 will provide only 40 percent state support. The CBHE recommends an FY 1984 funding level of 45 percent general revenue for the junior/community colleges. Enrollment in these colleges continues to climb and this modest increase will allow the institutions to maintain services at the current level. The estimated distribution of credit hours and state aid by junior/community college district is illustrated in **Table 8.**

TABLE 8. CBHE RECOMMENDATION FOR JUNIOR/COMMUNITY COLLEGE STATE AID, FY 1984

	Vocational*		General**			
Institution	Credit Hours	Amount	Credit Hours	Amount	Total Amount	Percent of Total
Crowder	7,223	$ 304,449.45	20,794	$ 748,376.06	$ 1,052,825.51	2.37%
E. Central	12,250	516,337.50	34,541	1,243,130.59	1,759,468.09	3.97
Jefferson	28,610	1,205,911.50	42,240	1,520,217.60	2,726,129.10	6.14
Metro. C.C.	60,828	2,563,900.20	244,572	8,802,146.28	11,366,046.48	25.61
Mineral Area	15,904	670,353.60	25,799	928,506.01	1,598,859.61	3.60
Moberly	9,590	404,218.50	19,415	698,745.85	1,102,964.35	2.49
St. Louis C.C.	134,847	5,683,801.05	436,653	15,715,141.47	21,398,942.52	48.22
State Fair	16,925	713,388.75	21,300	766,587.00	1,479,975.75	3.34
Three Rivers	7,990	336,778.50	26,620	958,053.80	1,294,832.30	2.92
Trenton	9,456	398,570.40	5,405	194,525.95	593,096.35	1.34
TOTAL	303,625	$12,797,709.45	877,339	$31,575,430.61	$44,373,140.06	100.00%

* Vocational Rate @ $42.15
** General Rate @ $35.99

The recommendation represents 45% general revenue.

B. Operating Expenditures: Four-Year Institutions

The Coordinating Board's general revenue recommendations for operating expenses of the state's public four-year college and universities reflect the necessity of maintaining the quality and vitality of Missouri higher education. **Table 9** displays general revenue recommendations for four-year institutions for FY 1984.

Reduced levels of state appropriations and expenditures in FY 1982 and 1983 formed the basis of the calculations for the total expenditure recommendations for FY 1984. These recommendations, based on CBHE policy factors, represent a moderate increase over the current level of planned expenditures. A summary of differences in the formula between FY 1983 and FY 1984 is given in **Table 10.**

TABLE 9. SUMMARY: CBHE GENERAL REVENUE RECOMMENDATIONS FOR FOUR-YEAR INSTITUTIONS, FY 1984

Institution	General Revenue Funding Level	FY 1983 Appropriation (Less 5% Withholding)	FY 1983 Appropriation	FY 1984 Recommendation	FY 1983 (Less 5%) FY 1984 Change	FY 1983-FY 1984 Change
Central	70.7%	$ 18,907,542	$ 19,902,676	$ 22,363,876	18.3%	12.4%
Southeast	70.7	16,478,224	17,345,499	19,717,165	19.7	13.7
Southwest	70.7	23,138,521	24,356,338	28,629,423	23.7	17.5
Lincoln	70.7	5,886,846	6,196,680	7,162,893	21.7	15.6
Northeast	70.7	13,000,192	13,684,413	15,657,245	20.4	14.4
Northwest	70.7	10,277,037	10,817,934	12,409,265	20.7	14.7
Southern	70.7	6,146,614	6,470,120	7,358,469	19.7	13.7
Western	70.7	6,833,283	7,192,930	8,363,215	22.4	16.3
Harris-Stowe	70.7	2,805,048	2,952,682	3,501,595	24.8	18.6
University of Missouri Campuses	64.8	161,923,651	170,445,948	187,664,632	15.9	10.1
Subtotal	--	$265,396,958	$279,365,220	$312,827,778	17.9%	12.0%
University of Missouri Related Programs						
University Hospital		$ 12,646,219	$ 13,311,810	$ 14,449,084	14.3%	8.5%
Institute of Psychiatry		1,856,367	1,954,071	2,091,876	12.7	7.1
State Historical Society		420,127	442,239	472,985	12.6	7.0
Kidney Program		2,052,051	2,160,054	2,273,049	10.8	5.2
Fire and Rescue Institute		67,652	71,213	76,554	13.2	7.5
Subtotal	--	$ 17,042,416	$ 17,939,387	$ 19,363,548	13.6%	7.9%
TOTAL	--	**$282,439,374**	**$297,304,607**	**$332,191,326**	**17.6%**	**11.7%**

TABLE 10. SUMMARY OF DIFFERENCES, OPERATING BUDGET FORMULA, FY 1984

FORMULA COMPONENT	FY 1983	FY 1984
Instruction	Marginal enrollment adjustment utilized for regionals, Lincoln, and state colleges	No marginal enrollment adjustment utilized
	Expenditures reported in PCS 1.3 and 1.4 included in instruction calculation for University of Missouri	University of Missouri's instruction recommendation based on expenditures in 1.1 and 1.2 only
	Median cost per credit hour and planned expenditure increments were the same for each HEGIS discipline	Additional 5% increment for median costs in business, computer science (regionals, Lincoln, state colleges, UM), and engineering (UM) was added
Research and Public Service	No Change	No Change
Libraries	Library recommendation based on increment to planned personal service, acquisitions, and other expense and equipment amounts	Library recommendation based on 6% of total FY 1984 formula generated amount for regionals, Lincoln, and state colleges.
Student Aid	No Change	No Change
General Support	No Change	No Change
Physical Plant	No Change	No Change
Utilities	No Change	No Change
Equipment Replacement	Recommendation for regionals, Lincoln, and state colleges based on 5% of equipment inventory, 6% for University of Missouri	Recommendation for regionals, Lincoln, state colleges based on 6% of equipment inventory, 7% for University of Missouri

The FY 1984 formula budget recommendations include funding for special incentives to make Missouri more competitive in attracting and retaining faculty in areas of critical need for economic development: engineering, computer science and business administration. In addition program improvements for learning enhancement projects at eight institutions are recommended. Special one-time funding for equipment replacement is becoming a critical need on all campuses and this funding is recommended. An additional increment to the library component is included to bring library expenditures to the minimum funding level recommended by the Association of College and Research Libraries.

C. Capital Improvements: Four-Year Institutions

The Coordinating Board for Higher Education is charged with the responsibility of planning for the preservation and development of higher education facilities at state-supported four-year institutions. Consistent with that responsibility, the CBHE assesses physical plant needs of the institutions and makes recommendations to the Governor and General Assembly for meeting those needs through appropriations from general revenue. The Coordinating Board for Higher Education capital improvement recommendation for FY 1983 is $37.2 million based on an issuance of $100 million in bonds for the Third State Building Fund.

The capital improvement requests in order of priority are set forth in **Tables 11 and 12.**

TABLE 11. SUMMARY: CBHE RECOMMENDATIONS FOR CAPITAL IMPROVEMENTS, FY 1984

	Maintenance And Repair	Energy Conservation	Accessibility for the Handicapped	Remodeling & Renovation	Planning	New Construction	
	CI-1	CI-2	CI-3	CI-4	CI-5	CI-6	TOTAL
Central	$ 179,378	$ 512,694	$471,794	$ 714,007	$ -0-	$ -0-	$ 1,877,873
Southeast	264,203	351,898	-0-	271,000	25,000	-0-	912,101
Southwest	368,060	-0-	14,544	758,063	107,700	-0-	1,248,367
Lincoln	384,194	-0-	-0-	-0-	150,000	-0-	534,394
Northeast	529,200	320,911	11,120	5,025,297	50,000	6,156,107	12,092,635
Northwest	1,287,591	18,000	100,885	-0-	-0-	-0-	1,406,476
Southern	126,470	42,500	60,000	-0-	-0-	-0-	228,970
Western	109,359	368,300	23,300	114,500	150,210	-0-	765,669
Harris-Stowe	43,835	388,372	66,839	493,139	-0-	-0-	992,185
University of Missouri							
Columbia	3,710,336	3,116,595	51,148	1,376,000	177,000	-0-	8,431,079
Ag. Experiment Stations	653,868	27,122	-0-	-0-	-0-	-0-	680,990
Hospital & Clinics	3,245,428	39,497	-0-	-0-	-0-	-0-	3,284,925
Kansas City	1,736,791	231,418	-0-	-0-	-0-	-0-	1,968,209
Rolla	422,510	124,565	13,976	-0-	-0-	-0-	561,051
St. Louis	503,422	701,876	-0-	-0-	-0-	-0-	1,205,298
UM TOTAL	10,272,355	4,241,073	65,124	1,376,000	177,000	-0-	16,131,552
MDHE CAPITAL MASTER PLANNING	-0-	-0-	-0-	-0-	969,623	-0-	969,623
TOTAL	$13,564,845	$6,243,748	$813,066	$8,752,006	$1,629,533	$6,156,107	$37,159,845

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984

	Priority	Institution	Project	Request	CBHE Recommendation
Maintenance/Repair	1	Central	Remove Asbestos, Wood-Martin & Union	$ 62,778	$ 62,778
			General Renovation & Painting	45,000	41,600
			Repair Martin Theater Stage Lift	75,000	75,000
	1	Harris-Stowe	Replace Exterior Doors	20,735	20,735
			Lock System	23,100	23,100
	1	Lincoln	Roof Repair/Renovation	37,016	37,016
			General Interior Repairs	233,509	175,589
			Boiler Maintenance, Repair, Renovation	19,500	19,500
			Air Conditioner Repair, Renovation, Rehabilitation	41,000	41,000
			Exterior Repair, Renovation, Rehabilitation	17,668	3,247
			Phase I Campus Survey/Research	40,000	40,000
			Window Renovation	12,227	12,227
			Rekey Young Hall	55,815	55,815
	1	Northeast	Interior Repairs & Replacement	121,136	35,000
			Replace Roofs	171,304	171,304
			Replace Roofs: Pershing Bldg.	250,096	250,096
			Electrical System Repairs	72,800	72,800
	1	Northwest	Install Switch Gear: Power Plant	110,000	110,000
			Replace HVAC: Wells Hall	850,000	804,201
			Replace Roof: Garrett-Strong	128,000	128,000
			Upgrade Electrical System: Horace Mann	35,000	35,000
			Replace Electric Load Center: Thompson-Ringold	3,500	3,500
			Renovate Power Plant	35,000	35,000
			Phase II, Vinyl Floor:Garrett-Strong	17,500	17,500
			Replace Roof: Power Plant	19,000	19,000
			Repair Walls: Martindale Gym	10,000	10,000

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Maintenance/Repair	1	Northwest	Replace Dock Door: Lamkin Gym	$ 5,000	$ 5,000
			Replace Roof: Horace Mann	51,000	51,000
			Replace Roof: Bus Barn/Carpenter Shop	40,000	40,000
			Install Tile: Lamkin Gym	4,090	4,090
			Replace Auditorium Seating: Fine Arts Bldg.	12,500	12,500
			Change Lights: Lamkin Gym	700	700
			Install Floor: Colden Hall	3,970	3,970
			Replace Chalkboards: Garrett-Strong	2,000	2,000
			Install Carpet: Garret-Strong	4,000	4,000
			Modify Lights: Thompson-Ringold Bldg.	350	350
			Replace Carpet: Home Management House	800	800
			Replace Blinds: Colden Hall	980	980
	1	Southeast	Replace or Repair Miscellaneous Equipment	31,863	31,863
			Interior/Exterior Paint, Roof/Floor Repair, Asphalt Drive	150,034	57,040
			Repair Doors, Heating & Air Conditioning Unit	25,400	25,400
			Repair Traps, Piping, Etc.	16,200	16,200
			Replace Roof: Magill Hall of Science	101,700	101,700
			Replace Roof: Brandt Music Bldg.	32,000	32,000
	1	Southern	Repaint, Patch, Reseal Bldgs. & Roads	56,150	18,000
			Remove, Replace Roof: Young Gym and Spiva Library	108,470	108,470
	1	Southwest	Repair Roof	174,150	174,150
			Repair Roof: Mountain Grove	4,700	4,700
			Replace Transformer: Hill Hall	18,000	18,000
			Replace Deaerator Feed Pumps for Boiler	7,500	7,500
			Replace Valves, Joints, Pumps, Rein. Pipe	98,636	98,636
			Overhaul Steam & Airconditioner Absorbers	9,000	9,000
			Repair & Replace Sidewalk	56,074	56,074

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Maintenance/Repair	1	UM-Columbia	Preservation: Agriculture Experiment Sta.	$ 66,520	$ 66,520
			Preservation: Hospital	479,749	131,235
	1	Western	Waterproof Class: Administration Building	23,935	23,935
			Waterproof Student Serv/Class Building	28,170	28,170
			Curbs on Service Drives	7,020	1,404
			Repaint Old Gym	47,250	22,250
			Modify Air Handling: Learning Resources Center	39,600	33,600
Subtotal Priority 1				$ 4,214,195	$3,490,245
Maintenance/Repair	2	UM-Columbia	Preservation: General Campus	$ 2,479,264	$ 49,351
			Preservation: Agriculture Experiment Sta.	306,092	306,092
			Preservation: Hospital	253,939	253,939
		UM-Kansas City	Preservation	1,072,324	1,040,027
		UM-St.Louis	Preservation	651,662	205,244
Subtotal Priority 2				$ 4,763,281	$1,854,653
MaintenanceRepair	3	UM-Columbia	Preservation: General Campus	$ 3,209,527	$3,202,348
			Preservation: Agriculture Experiment Sta.	229,637	229,637
			Preservation: Hospital	2,388,358	2,388,358
		UM-Kansas City	Preservation	436,752	436,752
		UM-Rolla	Preservation	534,600	114,960
		UM-St. Louis	Preservation	291,743	265,607
Subtotal Priority 3				$ 7,090,617	$6,637,662

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Maintenance/Repair	4	UM-Columbia	Preservation: General Campus	$ 435,178	$ 426,269
			Preservation: Agriculture Experiment Station	51,619	51,619
			Preservation: Hospital	688,652	471,896
		UM-Kansas City	Preservation	262,561	260,012
		UM-Rolla	Preservation	307,550	307,550
		UM-St. Louis	Preservation	58,707	32,571
Subtotal Priority 4				$ 1,804,267	$ 1,549,917
Maintenance/Repair	5	UM-Columbia	Preservation: General Campus	$ 32,368	$ 32,368
Subtotal Priority 5				$ 32,368	$ 32,368
TOTAL Maintenance/Repair				$17,904,728	$13,564,845
Energy Conservation/ Management	1	Central	Install Storm Windows, Humphrey & Administration	$ 127,750	$ 127,750
	2		Expand Energy Control System	329,944	329,944
	3	Harris-Stowe	Fluorescent Light Dimmers	58,898	58,898
	4	Southeast	Energy Management System, Payback less than 5 years	227,554	227,554
	5	Western	Modify Dual Duct System	150,100	150,100
	6	UM-Columbia	Energy Conservation & Management Payback less than 5 years	383,654	383,654
	7	Ag. Exp. Sta.	Agriculture Experiment Station, Payback less than 5 year	16,030	16,030
	8	UMC-Hospital	Energy Conservation & Management, Payback less than 5 years	21,797	21,797
	9	UM-Kansas City	Energy Conservation & Management, Payback less than 5 years	128,333	128,333
	10	UM-Rolla	Energy Conservation & Management, Payback less than 5 years	381,046	80,177

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Energy Conservation/ Management	11	UM-St. Louis	Energy Conservation & Management, Payback less than 5 years	$ 536,929	$ 536,929
	12	Harris-Stowe	Heat Reclamation	46,915	46,915
	13	Northeast	Replace Windows: Kirk Bldg.	144,567	144,567
	14	Southeast	Energy Managemen System, Payback 5-6 years	62,344	62,344
	15	Southern	Replace Lights	7,500	7,500
	16	Western	Modify Heat System: Learning Resources Ctr.	198,200	198,200
	17	UM-Columbia	Chiller Loop System	1,787,265	1,787,265
	18	UM-Columbia	Other Projects with 5-6 year Payback	15,104	15,104
	19	Ag. Exp. Sta.	Agriculture Experiment Station, Payback 5-6 years	11,092	11,092
	20	UM-Kansas City	Energy Conservation & Management, Payback 5-6 year	103,085	103,085
	21	UM-Rolla	Energy Conservation & Management, Payback 5-6 years	44,388	44,388
	22	UM-St. Louis	Energy Conservation & Management, Payback 5-6 years	164,947	164,947
	23	Harris-Stowe	Replace Windows	282,559	282,559
	25	Northeast	Replace Windows: Baldwin Hall	176,344	176,344
	26	Northwest	Install Entrance: Garrett-Strong	8,000	8,000
	27	Northwest	Install Entrance: Fine Arts Bldg.	10,000	10,000
	29	Southern	Energy Management & Electric Submeters	35,000	35,000
	30	UM-Columbia	Energy Conservation & Management, Payback 7 years	930,572	930,572
	31	Central	Develop Heat & Cool Masterplan	55,000	55,000
	32	UMC-Hosp.	Energy Conservation Study	17,700	17,700
	33	Western	Complete Energy Study	20,000	20,000
	42	Southeast	Energy Management System, Payback GT 7 years	62,000	62,000
TOTAL Energy Conservation/Management				$ 6,544,617	$ 6,243,748

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Handicapped Accessibility	1	Central	Dockery Elevator	$ 182,000	$ 182,000
	3	Southwest	Temple, Kemper, Siceluff	6,384	6,384
	5	Northeast	Baldwin, Health Clinic, Administration	17,224	11,120
	6	Northwest	Fine Arts Elevator, Garrett-Strong	100,885	100,885
	7	Southern	Technology, Young Gym	60,000	60,000
	8	Western	Warning System	23,300	23,300
	9	Harris-Stowe	Swimming Pool Access	66,839	66,839
	10	UM-Columbia	Priorities 1 and 2	90,896	51,148
	13	UM-Rolla	FY 82 Scheduled	30,070	13,976
	15	Central	Various Projects, Category 4-6	289,794	289,794
	17	Southwest	Pummill, Hill, Hammons	8,160	8,160
TOTAL Handicapped Accessibility				$ 865,552	$ 813,606
Remodel/Renovation	2	Northeast	Science Hall Renovation	$ 2,739,723	403,300
	3	UM-Columbia	Remodel & Renovation: Schweitzer Hall	3,120,000	1,376,000
	9	Harris-Stowe	Renovate Biology Labs	234,914	234,914
	12	Western	Remodel Physical Education Bldg.	114,500	114,500
	13	Southwest	McDonald Arena Remodeling	1,090,513	687,213
	14	Southeast	Minor Campus Remodeling	75,000	75,000
	15	Central	Renovate: Dockery Bldg.	714,007	714,007
	16	Harris-Stowe	Renovate Learning Centers	258,225	258,225
	17	Southeast	Remodel Magill Hall of Science	121,000	121,000
	18	Southwest	Provide Partition, Paint, Light: Teachers Facility	70,850	70,850
	19	Southeast	History, Social Science Renovation: Partitions	75,000	75,000
	20	Northeast	Violette Hall Renovation	4,621,997	4,621,997
TOTAL Remodel/Renovation				$13,235,729	$ 8,752,006

TABLE 12. CBHE CAPITAL IMPROVEMENT RECOMMENDATIONS BY PROJECT TYPE, FY 1984 (Continued)

	Priority	Institution	Project	Request	CBHE Recommendation
Planning	2	Northeast	Master Plan, Art, Theater, Nursing	$ 50,000	$ 50,000
	3	UM-Columbia	Planning Engineering Lab & Classroom	177,000	177,000
	4	MDHE	Master Plan for Capital Facilities	969,623	969,623
	5	Lincoln	Planning Library Renovation	150,000	150,000
	6	Western	Addition to Fine Arts Bldg.	4,816,487	75,210
	7	Southwest	Plan for New Allied Health Facility	32,700	32,700
	8	Southeast	Planning Funds: Memorial Hall & Kent Library	25,000	25,000
	9	Western	Planning: Learning Resources Addition	75,000	75,000
	13	Southwest	Alternate Fuel Power Plant Planning	75,000	75,000
TOTAL Planning				$ 6,370,810	$ 1,629,533
New Construction	2	Northeast	Pickler Library Addition & Renovate	$14,462,946	$ 6,156,107
TOTAL New Construction				$14,462,946	$ 6,156,107
GRAND TOTAL				$59,384,382	$37,159,845

STUDENT FINANCIAL AID PROGRAMS

I. Guaranteed Student Loan Program

The Missouri Guaranteed Student Loan Program began guaranteeing student loans September 2, 1979. The net number of loans guaranteed for FY 1982 (loans guaranteed minus loans cancelled) was 42,499 for a total amount guaranteed of $104,949,901. The average loan guarantee was $2,470. The net default rate for the program as of June 30, 1982 was 2.21 percent and the recovery rate was 31.03 percent. Both of these rates are very favorable compared to national averages. **Table 13** depicts loans outstanding through FY 1982.

TABLE 13. REPORT OF LOANS OUTSTANDING FOR FY 1982

	FY 1982		CUMULATIVE SINCE 1969	
	Loans	Amount	Loans	Amount
Loans Guaranteed		$111,925,002		$222,710,044
Less Loans Cancelled		(6,975,101)		(11,014,110)
Net Loans Guaranteed	42,499	$104,949,901	105,981	$211,695,934
Less Loans Paid in Full		$ (2,211,203)		$(13,253,325)
Total Outstanding Loans		$102,738,698		$198,442,609

Since its beginning in September 1979, the Missouri Guaranteed Student Loan Program has been supported by revenues generated from program activity and does not require any Missouri general revenue funds for its operation. **Tables 14 and 15** depict the Loan Revenues and Operation Expenditures for the Missouri Guaranteed Student Loan Program for FY 1982. The State Guaranty Student Loan Fund had a balance of $6,307,094 at the close of FY 1982.

TABLE 14. REPORT ON LOAN REVENUES FOR FY 1982

Revenue	FY 1982	Cumulative Since 1969
Guarantee Fees	$2,550,890	$ 5,084,118
State Appropriations	-0-	600,000*
Federal Advances	-0-	386,755
Administrative Cost Allowance	902,991	1,178,153
Investment Earnings	638,263	1,398,159
Revenue Subtotal	$4,092,144	$ 8,647,185
Recoveries from Insurance		
Claims Paid		
Federal Reinsurance Payments	$ 457,660	$ 1,431,530
Total Collections on Claims Paid	81,249	394,408
Recoveries Subtotal	$ 538,909	$ 1,825,938
Total Loan Revenues	$4,631,053	$ 10,473,123

*Refunded to state in August 1982.

TABLE 15. REPORT ON LOAN EXPENDITURES FOR FY 1982

Operating Expenses	FY 1982	Cumulative Since 1969
Administrative Cost of Preclaims Assistance	$ 51,992	$ -0-
Administrative Cost of Collections	45,159	-0-
Administrative Cost of Promotion of Commercial Lender Participation	269,224	-0-
Other Administrative Costs	795,871	-0-
Operating Expenses Subtotal	$1,162,246	$ -0-
Insurance Claims Paid		
Total Claims Paid	$ 396,813	$1,589,984
Portion of Collections on Insurance Claims Paid Reimbursed to Federal Government	41,587	98,482
Insurance Claims Paid Subtotal	$ 438,400	$1,688,466
Total Expenditures	$1,600,646	$4,121,346

In addition to current activity, the program is still servicing loans that were guaranteed during the period from 1969 through 1971. A total of $396,813 in claims was paid to lenders during FY 1982. **Table 16** depicts both claims paid in FY 1982 and cumulative claims paid since 1969. Collections on claims paid totaled $81,249 for FY 1982, and as shown in **Table 17**, cumulative claims paid totaled $1,589,984 and cumulative recoveries from defaulted borrowers totaled $394,408.

TABLE 16. REPORT ON LOAN INSURANCE CLAIMS FOR FY 1982

	FY 1982		CUMULATIVE SINCE 1969	
	Borrowers	Amount	Borrowers	Amount
Claims Paid-Bad Debt	159	$307,614	1,089	$1,271,230
Claims Paid-Bankruptcy	25	61,278	130	188,742
Claims Paid-Death & Disability	13	27,921	99	130,012
TOTAL CLAIMS PAID	197	$396,813	1,318	$1,589,984

TABLE 17. REPORT OF CURRENT BALANCES OF LOAN INSURANCE CLAIMS THROUGH FY 1982

Status of Claims	Borrowers	Amount Paid	Collected To Date
Death, Disability and Bankruptcy	230	$ 319,643	$ 13,090
Written Off	2	2,160	1,130
Paid in Full	170	148,122	177,419
Accounts In Litigation	59	57,381	5,102
Accounts in Repayment	179	275,148	107,574
Unresolved Accounts	678	787,530	90,093
TOTAL	1,318	$ 1,589,984	$394,408

II. Missouri Student Grant Program

Since FY 1972, the Missouri Student Grant Program has provided financial assistance to students qualified as both permanent residents of the United States and Missouri residents to pursue full-time, undergraduate, non-theological degree or certificate programs at approved public and independent not-for-profit postsecondary institutions in Missouri. In FY 1980, a broader range of institutions was included by the General Assembly when accreditation by agencies other than the North Central Association of Colleges and Secondary Schools was recognized. The 1979 General Assembly authorized an increase in the maximum annual award per student from $900 to $1,500 which became effective with the 1980-81 academic year.

During the 1981-82 school year, 10,417 students received grants totalling $8,937,911. The federal State Student Incentive Grant program provided $1,540,010 of the total.

TABLE 18. MISSOURI STUDENT GRANTS BY TYPE OF INSTITUTION, 1981-82

Type of Institution	Number Paid	Amount Paid
State Four-Year	4,302	$1,321,054
State Two-Year	611	123,669
Subtotal State	**4,913**	**$1,444,723**
Independent Four-Year	5294	$7,331,314
Independent Two-Year	43	41,522
Subtotal Independent	**5,337**	**$7,372,836**
Other	167	$ 120,352
TOTAL ALL INSTITUTIONS	**10,417**	**$8,937,911**

TABLE 19. MISSOURI STUDENT GRANTS BY INSTITUTION, 1981-82

	Number of Recipients	Amount
State Four-Year		
Central Missouri	208	$ 47,043
Harris-Stowe	44	8,978
Lincoln	73	15,817
Missouri Southern	105	22,885
Missouri Western	183	44,980
Northeast	198	31,072
Northwest	67	15,207
Southeast	314	52,740
Southwest	611	121,705
University of Missouri		
Columbia	1,142	428,102
Kansas City	420	163,104
Rolla	508	205,802
St. Louis	429	163,619
Subtotal	4,302	$1,321,054
State Two-Year		
Crowder	9	$ 1,634
East Central	13	1,144
Jefferson	34	5,024
Metropolitan C.C.		
Longview	15	2,876
Maple Woods	5	1,278
Penn Valley	43	9,185
Mineral Area	16	1,882
Moberly	3	391
St. Louis C.C.		
Florissant Valley	150	32,812
Forest Park	169	35,144
Meramec	112	24,928
State Fair	5	342
Three Rivers	34	6,325
Trenton	3	704
Subtotal	611	$ 123,669
TOTAL STATE	**4,913**	**$1,444,723**

TABLE 19. MISSOURI STUDENT GRANTS BY INSTITUTION, 1981-82 (Cont.)

	Number of Recipients	Amount
Independent Four-Year		
Avila	224	$ 278,552
Central Methodist	186	278,707
Columbia	160	229,430
Culver-Stockton	82	120,750
Drury	220	310,750
Fontbonne	216	308,773
Kansas City Art Institute	87	124,177
Lindenwood	153	213,750
Maryville	231	312,839
Missouri Valley	80	98,145
Park	89	125,536
Rockhurst	514	725,754
School of the Ozarks	187	227,470
Southwest Baptist	270	294,550
St. Louis College of Pharmacy	90	125,820
St. Louis University	1,236	1,772,665
Stephens	87	124,850
Tarkio	40	54,906
Washington University	557	795,213
Webster	163	234,235
Westminster	88	127,500
William Jewell	245	316,63[illegible]
William Woods	89	130,306
Subtotal	5,294	$7,331,314

TABLE 19. MISSOURI STUDENT GRANTS BY INSTITUTION, 1981-82 (Cont.)

	Number of Recipients	Amount
Independent Two-Year		
Cottey	5	$ 5,000
Kemper	1	1,237
St. Mary's	37	35,285
Wentworth	-0-	-0-
Subtotal	43	$ 41,522
TOTAL INDEPENDENT	**5,337**	**$7,372,836**
Other		
Barnes	5	$ 1,906
Boonslick	-0-	-0-
Burge	13	5,537
Chillicothe	-0-	-0-
Cleveland	1	1,406
Deaconess	4	2,895
Hannibal Voc/Tech	1	345
Jewish	51	36,290
Linn Tech	15	6,654
Logan	12	11,000
Lutheran	15	12,137
Missouri Baptist-Nursing	26	24,268
Nichols Career Center	-0-	-0-
Pike/Lincoln Co. Voc/Tech	-0-	-0-
Poplar Bluff Voc/Tech	-0-	-0-
Research	8	3,169
Rolla Voc/Tech	-0-	-0-
St. Louis Conservatory of Music	8	10,500
St. Luke's-St. Louis	6	3,145
Washington Voc/Tech	-0-	-0-
Water-Wastewater Voc/Tech	2	1,100
TOTAL OTHER	**167**	**$ 120,352**
GRAND TOTAL	**10,417**	**$8,937,911**

MISSOURI STATE LIBRARY

I. State Library

The State Library is an operating library which owns a book and material collection in excess of 200,000 items. This library is used in support of local public libraries and is a general reference and research library available to agencies of State government. Daily requests for information are received from public libraries, from State government agencies, and from the offices of members of the General Assembly. Information is provided to users, both through conventional printed sources and through computerized data bases as well. The State Library provides consultant services to public libraries and library organizations of the State and assists in developing libraries in institutions, i.e., prisons, mental hospitals, operated by the State.

The State Library issues several publications: a monthly bibliography of publications of interest to State government employees; a monthly publication listing material of interest to practicing librarians; and a monthly magazine, Show-Me Libraries, which is of general interest to librarians and library-related individuals.

The State Library manages a statewide system which involves the acquisition, cataloging, and distribution of publications of the agencies of State government. Thirty-five libraries throughout the State have been designated as depository libraries for the publications of State government agencies. Because the agencies of State government publish considerable material and are anxious that this material be made available to citizens of the State, those agencies have cooperated well with the State Library in this program.

R

Library Planning

During the past year an important planning document was presented to the Coordinating Board for Higher Education outlining the needs of libraries in the State of Missouri and proposing methods whereby libraries in the State can be improved in their service programs and better coordinated in their efforts. One of the recommendations of the library planning document was that there be established by the Coordinating Board a Library Advisory Committee which could permanently advise the Coordinating Board on library matters and to which problems and concerns relating to libraries could be referred by the Coordinating Board. The Library Advisory Committee was asked by the Coordinating Board to develop strategies for implementing the recommendations contained in the library planning document and the Library Advisory Committee is at present seeking the implementation of a number of recommendations from the planning document.

II. Library for the Blind and Physically Handicapped

The Wolfner Library for the Blind and Physically Handicapped, which is a branch of the State Library located in the City of St. Louis, has been designated by the Library of Congress to serve as the outlet in Missouri for library material prepared for the use of the blind and physically handicapped. Material available from the Wolfner Library is largely recorded material which has been provided by the Library of Congress free of charge. The Library of Congress also provides machines for the use of this material. Any blind or physically handicapped resident of the State of Missouri is eligible to use this service. The definition of physically handicapped is broad and, in general, anyone who, because of any physcial disability, is unable to use printed material is eligible to use this program.

Although the material used in this library is supplied by the Library of Congress and although the United States Post Office delivers this material free of charge, the State is expected to provide for the day-to-day operation of the library; to maintain the inventory of material and machines; to keep records of borrower interests and material in circulation; to provide the means for the circulation of the material; and generally to promote and encourage the use of the program by eligible citizens of the State.

Wolfner Library provides service to well over 8,000 Missourians who live in every county of the State and more than 200,000 items are circulated each year. The staff of the Wolfner Library is very much aware that many Missourians who are eligible to use this service have not yet used it and in some cases may not yet be aware of its existence. The Wolfner Library program is the only one for blind and physically handicapped citizens of the State, but with a small budget, a small staff, and limited operating funds, the Wolfner Library has been unable to undertake the program of promotion which might reach additional eligible users. Should adequate funding for the program become available, it is a certainty that the program will expand to include many more eligible users.

III. Library Networks

A library network is an organization which includes a number of independent libraries which agree to cooperate both in the sharing of library material (books, etc.) already owned, and in the acquisition of new materials, in the in-service training of library staff members, in the use of specialized library material or in the use of staff members with specialized talents. Generally, a network exists because of a recognition that no library can be self-sufficient and totally adequate in meeting its patrons' needs, and that several libraries working together and sharing resources and talent can more effectively serve the needs of patrons of all participating libraries.

In the State of Missouri seven library networks have been formed and together these seven networks cover the entire State. Each network area is a natural geographic, political and economic region. All libraries in each of the network areas are eligible to participate in the network although in no case have all the libraries chosen to participate. A central network office has been created in each network, both to recruit new members and to provide service. Each

network is governed by a board of directors selected from its membership and policies and procedures for the networks are developed by this board. At the outset, networks have concentrated their efforts and energies on the exchange of library materials and in each network a larger and older library has frequently been designated as the network resource library and that library provides much material used in the network. All of the networks have developed communication and distribution systems whereby material located in any of the participating libraries can be obtained or made available to library users within the network area. The library networks are headquartered in St. Joseph, Kansas City, Springfield, Columbia, Kirksville, St. Louis and Cape Girardeau.

The networks are supported financially by a combination of federal grant funds allocated by the State Library and by membership fees. Although membership fees in the initial stages of network development were modest, they have in recent years been increasing. This increased financial participation by member libraries indicates that network services are becoming more and more valuable to participants and that participants are prepared to pay for services received.

Federal funds through the State Library have been used to provide a portion of network funding. These funds, however, have been allocated on a temporary basis and all networks in the State seem convinced that future network development must depend upon funding derived from sources other than federal.

The Missouri library community has attempted to secure legislation which would finally recognize library networks in Missouri and which would allow State funding for some part of the operating budgets of the networks. Although this legislation has not passed in the General Assembly, it appears to be a device whereby these regional library organizations which are performing State functions can be financed, at least in part, by the State.

STATE ANATOMICAL BOARD

The Coordinating Board for Higher Education has organizational responsibility for the State Anatomical Board which distributes and delivers unclaimed or donated human bodies to the ten medical, dental, chiropractic and osteopathic programs for use by students in their training.

The General Assembly appropriated $2,500 in general revenue for fiscal 1983 support of this statutory function of the Board. The CBHE is requesting a $2,500 appropriation from FY 1984 general revenue to carry out the activities of the Anatomical Board.

FY 1982 activities included the receipt of 487 bodies, of which 399 bodies were distributed to the ten institutions of medical, dental, chiropractic and osteopathic training for use by 5,605 students. **Table 20** summarizes actual FY 1982, planned FY 1983 and FY 1984 request for appropriations. The expenditures consist entirely of fixed stipends paid to officers of the Anatomical Board and per capita stipends paid to local secretaries (doctors) who have responsibility for the receipt and distribution of bodies and totalled $2,227. The Anatomical Board continues to collect assessments from the member institutions and in FY 1982 deposited $2,242 in the State Treasury. The net revenues over expenditures for the State for the Board's activities in FY 1982 was $15.

TABLE 20. STATE ANATOMICAL BOARD

Category of Expenditure	Actual FY 1982	Planned FY 1983	Request FY 1984
PROGRAM SPECIFIC DISTRIBUTION	$ 2,227	$ 2,500	$ 2,500
TOTAL	$ 2,227	$ 2,500	$ 2,500
PLAN FOR FINANCING			
General Revenue	$ 2,227	$ 2,500	$ 2,500
TOTAL FINANCING	$ 2,227	$ 2,500	$ 2,500

LEGISLATION

I. Higher Education Bills During the 1982 Session

In 1982, the Second Regular Session of the 81st General Assembly enacted several bills related to higher education. Legislation covered topics pertinent to specific colleges, universities, and libraries as well as the financing of higher education. A brief description of each bill follows:

House Bill 1375, the Higher Education Research Assistance Act, authorized state funds for basic and applied research projects to be conducted by public colleges and universities. These projects promote economic development, private sector investment, and employment opportunity. Private sector investment will fund two-thirds of research project costs and one-half of applied projects costs.

House Bill 1823 provided a special appropriation for Central Missouri State University to pay costs related to storm damage on the campus on March 15, 1982.

Senate Bill 831 authorized the one-time transfer of $600,000 from the Guaranty Student Loan Fund to general revenue during FY 1983.

Senate Bill 485 changed the minimum population for political subdivisions to levy library taxes from 300,000 to 200,000. The legislation also expands the purpose of the library tax levy to include normal maintenance, remodeling or refurbishing of all new and existing libraries under control of the board of trustees of any free public library.

Senate Bill 835 permits any tax-supported library to purchase liability insurance for its board members.

II. CBHE 1983 Legislative Priorities

Authorization of Library Networks - HB 300 - Hearnes and Weber

Statutory recognition of the existing seven library networks serving citizens throughout the state. The networks promote library cooperation and result in the efficient use of existing library resources and the avoidance of unnecessary duplication of resources.

Customized Job Training Act - HB 448 - O'Connor
SB 231 Panethiere, Bass, Banks, Murphy, Scott, Woods, Dennis, Staples, Lybyer and Dirck

A program to retrain unemployed Missourians. The Research Assistance and Applied Projects Act (H.B. 1375) passed by the General Assembly in 1982 established relationships between four-year public institutions and the private sector. The Customized Job Training Act is an extension of that Act and establishes a mechanism for public junior colleges to provide the training for new and expanding business and industry.

Coordinating Board Authority to Set Compensation for Comissioner of Higher Education - SB 113 - Dirck

An addition to the existing statutes to clarify the Coordinating Board for Higher Education's authority to establish the salary (subject to appropriations) of the Commissioner of Higher Education.

Junior College Funding Formula - SB 160 - Tinnin

This bill bases the funding formula on the actual credit hours of enrollment during the immediate past year rather than on estimated credit hours.

Certification of Proprietary Schools - SB 52 - Dirck
HB 560 Crump

This bill provides for state approval of proprietary schools. The proprietary sector accounts for approximately 15% of all postsecondary enrollments in Missouri, a significant segment which currently lies outside state-wide planning and coordination.

Reposit of School Records - HB 397 - E. Brown

This bill requires all postsecondary schools which cease operation to deposit student records in a repository approved by the Coordinating Board for Higher Education. This would provide former students access to their transcripts and records.

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